



Budget request highlights

- The Council's budget recommendation for 2008-10 is an aggressive first step of six biennial budget increases needed to achieve reform goals by 2020.
- The request is focused on improving the lives and livelihoods of all Kentuckians by increasing access to postsecondary education, doubling the number of college graduates in the state, and promoting research, economic growth, and community development.
- The development of the Council's budget request has been an 18-month collaborative process involving Council members, institutional presidents, chief budget officers, chief academic officers, and state policy makers.
- The Council requests \$1.3 billion for public colleges and universities in 2009-10, an increase to the institutions of \$174 million (16 percent) over the biennium. This includes \$82 million in 2008-09 and an additional \$92 million in 2009-10 (includes Double the Numbers degree fund).
- The Council also requests \$200 million for a fourth round of funding for Bucks for Brains. This highly successful Endowment Match Program attracts high-quality faculty to Kentucky and promotes private investment in public postsecondary education.
- The total postsecondary education General Fund request— which includes operating funding for public institutions, Kentucky Adult Education, Council operations, strategic trust funds, pass-through programs— is \$1.35 billion, an increase of \$224 million over the biennium.
- Tuition and fee revenue estimates of \$174 million in 2008-09 and \$184 million informed the Council's budget recommendation. These estimates do not reflect significant tuition discounts provided by the institutions and are based upon a combination of enrollment growth across the system and tuition rate increases at Kentucky's public four-year universities. The Council will not take action to determine tuition parameters until spring 2008.
- The return on this investment to the state will be significant and will include an increased pool of talented workers, improved outreach to low-income students, and more basic and applied research to help solve Kentucky's problems in areas such as energy and health.
- This budget recommendation seeks a balance between maintenance of ongoing operations (60 percent of new funds) and targeted strategic funding that invests in statewide needs such as developmental education, research, access, degree production, and other statewide priorities (40 percent of new funds).
- The request also reflects the Council's commitment to moderate tuition growth. Ten years ago the state/student share of support for postsecondary education was 2/3 state and 1/3 student. The balance has now shifted to about 50/50. The Council's current budget recommendation, which requests a proportionately larger General Fund appropriation, will slow this trend to preserve a more affordable, accessible system.
- The Council's 2008-10 capital budget recommendation builds on Kentucky's statewide facilities study and includes debt service to support \$800 million in General Fund projects. Priority capital areas include \$90 million to start addressing the backlog of major campus systems that need repair, \$162 million in major renovations, \$312 million in new academic buildings, \$185 million in new research facilities, and \$50 million in information technology projects.